

# Proposed Rule for HPSA and MUA/P Designations

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## Overview

- Background on Shortage and Underservice Designations
- Criticism of Current Criteria
- Overview of the Proposed New Rule
- Potential Impact in Michigan
- Discussion

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## Purpose of Shortage and Underservice Designations

- Identify areas of greatest need so limited resources can be prioritized and directed to the people in those areas
- If an area meets the criteria for designation, specific programs targeted at enhancing the primary care infrastructure through recruitment and retention of providers and primary health care facilities become available to the area

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## Health Professional Shortage Area (HPSA) Designation Background

- Developed as mechanism for prioritizing National Health Service Corps (NHSC) placements in the 1970s
- Current criteria have been essentially unchanged since the 1980s
- Designation based on an elevated ratio of the population to the number of primary care physicians in a rational service area

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## Medically Underserved Area or Population (MUA/P) Designation Background

- Developed to regulate the Federally Qualified Health Center (FQHC) program
- Current criteria have been essentially unchanged since the 1980s
- Designation based on scores for 4 equally weighted high need indicators:
  - Percent of population in poverty
  - Percent of population over age 65
  - Infant mortality rate
  - Ratio of primary care physicians to the population

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## Programs Utilizing HPSA and MUA/P Designations

- |   |   |
|---|---|
| ■ National Health Service Corps <ul style="list-style-type: none"><li>■ Scholarship</li><li>■ Loan Repayment</li><li>■ State Loan Repayment Program</li></ul> | ■ Medicare Incentive Payment Program  |
| ■ Section 330 Health Center Grants  | ■ Rural Health Clinics Eligible Area  |
| ■ FQHC Look-Alike Certification   | ■ Recruitment of Foreign Born Physicians <ul style="list-style-type: none"><li>■ J-1 Visa Waiver</li><li>■ National Interest Waiver</li></ul> |
|   | ■ Scoring Preference for Title VII & VIII Grants  |

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## Health-Manpower Shortage Designation Program Requirements

Shortage Designation Type	National Health Service Corps/ State Loan Repayment Program	Federally Qualified Health Center Program	CMS Medicare Incentive Payment	CMS Rural Health Clinic Program	J-1 Visa and National Interest Waiver Programs
<b>Primary Care HPSA</b>					
Geographic	X		X	X	X
Population	X			X	X
Facility	X				X
<b>Dental Care HPSA</b>					
Geographic	X				
Population	X				
Facility	X				
<b>Mental Health Care HPSA</b>					
Geographic	X		X		X
Population	X				X
Facility	X				X
<b>MUA</b>		X		X	X
<b>MUP</b>		X			X
<b>State Governor's Certified Shortage Area for RHCs</b>				X	

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## Criticism of Current HPSA and MUA/P Designation Criteria

- Having two similar designations for different programs can be confusing and creates a burden on local communities applying for designation
- Counting only physicians gives an incomplete picture of the availability of primary care resources
- Current high-need indicators are not sufficient to capture real access issues
- There is no update requirement for MUA/P designations – some are over 20 years old
- The current method facilitates a “yo-yo” effect of designation gain and loss
- Current methods may not reflect true need

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## Background on the New Method

- A new method was proposed in 1998 but rejected due to overwhelming negative comment
  - Extremely disruptive to existing designations and safety-net providers, especially in rural areas
- HRSA has attempted to address concerns raised against 1998 method
  - Science-based method
  - Higher face validity
  - Lower burden system
  - Minimal disruption to existing safety-net providers

## Highlights of The Proposed New Rule

- One Process for HPSA and MUA/P Designations
- Population is adjusted to account for differences in utilization of services by sex and age
- Physician Assistants, Nurse Practitioners, and Certified Nurse Midwives are included in provider counts but at a fraction of an FTE
- Population to provider ratio is calculated and then adjusted based on 8 high need indicators
- Threshold for designation is 3,000:1

## Highlights of The Proposed New Rule Continued...

- Two Tiers of designation respond to the “yo-yo” effect
- Safety-net facility designations respond to disruption of current safety-net providers
- Provision for emergency designations (less than 30 day process) for areas where the departure of 1 provider has a significant effect on the ratio of population to providers
- No requirement written into the rules for a maximum population size for a service area
- No requirement written into the rules for a 200% poverty threshold for low-income population group designations

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## Evaluation Example – Alcona County

- Alcona County Resident Civilian Population: 11,195
  - Under the new criteria the Effective Barrier Free Population for Alcona is 13,570
- Alcona Primary Care Provider Count: 6.5
  - National data source count of physicians plus ½ the number of physician assistants, nurse practitioners, and certified nurse midwives
- Population to Provider Ratio:
  - $13,570 / 6.5 = 2,088:1$

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## Evaluation Example Continued...

- High Need Indicator Adjustments:
  - Percent of population at or below 200% poverty: 34.85% = score of 110.95
  - Unemployment Rate: 10.1 = score of 312.12
  - Percent of population age 65 and older: 27.9% = score of 248.87
  - Population per square mile: 17.4 = score of 223.96
  - Percent population Hispanic: 0.9% = score of 40.03
  - Percent of population non-white: 1.4% = score of 0.00
  - Age adjusted death rate: 839.2 = score of 36.45
  - Low birth weight rate: 10.4 = score of 200.24
    - Not included in total as it is lower than the infant mortality rate score
  - Infant mortality rate: 18.7 = score of 278.43
- Total High need indicator adjustment: 1,251

## Evaluation Example Continued...

- Adjusted population to provider ratio:
  - Base population to provider ratio: 2,088:1
  - High need indicator adjustment: 1,251
  - Adjusted population to provider ratio: 3,339:1
- Adjusted population to provider ratios of 3,000:1 or greater qualify for designation.
- Alcona County should qualify for Tier 1 geographic designation under the new criteria

## Evaluation Example Continued...

- Had Alcona not been eligible for Tier 1 geographic designation, the adjusted population to provider ratio could be calculated excluding NHSC, SLRP, J-1, and FQHC providers for Tier 2 geographic designation
- Or calculations could be performed specific to a population group (i.e. the low-income population)
- If no area or population group designation was possible, specific facilities within the area could be examined:
  - Must serve 10% sliding fee scale or no charge patients
  - And/Or (not clear) serve a Medicaid and sliding fee or no charge population that is 40% of the practice in metropolitan areas, 30% in non-metropolitan areas, or 20% in frontier areas

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## Potential Impact in Michigan

- The new criteria will likely affect the distribution of HPSA and MUA/P designations
- Federal estimates suggest:
  - No fewer than 81% of the current number of HPSAs will be designated
  - 90% of the current number of MUA/Ps will be designated
  - Less designations will likely be lost with inclusion of state and local data
- MDCH analysis of full-county geographic designations suggests 8 of 11 current designations will be maintained plus 8 more will be added
- MDCH preliminary look at low-income population group designations suggests minimal disruption

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## Potential Concerns Under the Proposed Rule

- Uncertainty on interpretation by federal programs (NHSC, Grant Funding for FQHCs, CMS Medicare Bonus, etc.) of Tier system and scoring
- Methodology for scoring safety-net facility designations needs to be developed
- Providers in RHCs and under NIW obligations are not excluded from provider counts under Tier 2 designations
- National sources of provider information on physician assistants, nurse practitioners, and certified nurse midwives may not be available

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## Shortage Designation Resources

- MDCH HPSA and MUA/P Resources:
  - [www.michigan.gov/hpsa](http://www.michigan.gov/hpsa)
  - Ian A. Horste
    - Phone: 517-241-9947
    - E-Mail: [horstei@michigan.gov](mailto:horstei@michigan.gov)
- HRSA's Shortage Designation Branch:
  - <http://bhpr.hrsa.gov/shortage/>
  - Phone: 1-888-275-4772 (Option 1 then Option 2)
  - E-Mail: [sdb@hrsa.gov](mailto:sdb@hrsa.gov)

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